

Key facts and value propositions of the Zambian mining industry

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Zambia's mining sector has abundant opportunities for new ventures. Below, we have summarized some key facts based on research conducted in spring 2021. Join the [SDG Booster Zambia](#) to hear more from local industry experts, meet partners and financiers, and to start your project!

Mining is a major driver of the Zambian economy, with a steady stream of opportunities in mining technology and services. Zambia is the second largest producer of copper in Africa and the seventh in the world. The sector represents over three quarters of Zambia's total export value. Yet, Zambian owned suppliers and contractors only obtain a fraction of the USD 2,3 billion that mines spend on goods and services annually. **Strategic partnerships between Zambian and international players** could support the development of more inclusive supply chains benefitting the local economy.

Digitalization is one of the key priorities to increase efficiency, productivity, and sustainability of mining. There are opportunities in automation of drilling, digging, blasting, and loading processes, and modernising machinery in local manufacturing workshops. Smaller local suppliers would benefit from basic digital tools such as Enterprise Resource Planning (ERP) software, and an improved digital presence to better market their services. The need for digital tools goes hand-in-hand with a need to upgrade digital skills of workforce in the industry.

There is a variety of **opportunities in environmental management and circular models** that can be pursued in the sector. Water treatment processes, waste disposal, and rehabilitation of mining areas are some of the highlighted opportunity areas. The industry produces valuable waste streams that could be recycled and reused more effectively, such as truck tyres and plastic waste.

A **modern workforce** driven by advanced technologies will require an improved **set of skills**, including technical problem-solving skills (e.g. welding, boiler making, foundry skills, diagnosing breakdowns) and business skills (e.g. pricing of proposals). Opportunities exist in vocational skills training, management skill development, and university-industry collaboration. Local universities can be engaged by setting up on-campus showrooms, allowing students to learn using modern technology. The Copperbelt University (CBU) is eager to engage in more research and development projects to support the mining industry. Training in quality assurance and quality certification of products are other identified opportunity areas.

Gaps in **working capital** is one of the challenges faced by local suppliers. **Joint financing solutions** would enable Zambian-international partnerships to handle larger contract volumes together.

Finally, there is an array of opportunities for out-of-the-box thinking entrepreneurs in **non-mining related products and services**. Mines and the communities built around them consume large volumes of fast-moving consumables and certain more specialized products and services. Expanding to non-mining activities would support surrounding communities with sustained livelihoods beyond the life of the mine.

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